

COASTAL CONSERVANCY

Staff Recommendation

June 29, 2006

SAN FRANCISCO ESTUARY FISH PASSAGE IMPROVEMENT PROGRAM

File No. 06-031

Project Manager: Betsy Wilson

RECOMMENDED ACTION: Authorization to disburse up to \$200,000 to the Center for Ecosystem Management and Restoration to fund a San Francisco Estuary Fish Passage Improvement Program to prepare conceptual designs and detailed cost estimates for at least four high priority fish passage improvement projects on streams of the San Francisco Estuary.

LOCATION: Watersheds within the San Francisco Estuary.

PROGRAM CATEGORY: San Francisco Bay Area Conservancy

EXHIBITS

Exhibit 1: Project Location Map

Exhibit 2: Location Maps for Potential Barrier Sites

Exhibit 3: Photographs of Potential Barrier Sites

Exhibit 4: Letters of Support

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31160-31164 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed two hundred thousand dollars (\$200,000) to the Center for Ecosystem Management and Restoration (“CEMAR”) to prepare conceptual designs and detailed cost estimates for at least four high priority fish passage improvement projects on streams of the San Francisco Estuary, subject to the condition that prior to commencement of work, CEMAR shall submit for the review and approval of the Executive Officer of the Conservancy a work program, schedule for completion and project budget, and the names and qualifications of any contractors to be employed.”

Staff further recommends that the Conservancy adopt the following findings:

“Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed project is consistent with the purposes and criteria set forth in Chapter 4.5 (Sections 31160-31164) of Division 21 of the Public Resources Code regarding the enhancement of natural resources of the San Francisco Bay Area.
2. The proposed project is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 25, 2001.
3. The Center for Ecosystem Management and Restoration is a nonprofit organization existing under Section 501(c) (3) of the U.S. Internal Revenue Service Code, and whose purposes are consistent with Division 21 of the Public Resources Code.”

PROJECT SUMMARY:

This authorization would provide up to \$200,000 to the Center for Ecosystem Management and Restoration (CEMAR) to prepare permit-ready conceptual designs and detailed cost estimates for at least four high priority fish passage improvement projects on streams of the San Francisco Estuary. The proposed San Francisco Estuary Fish Passage Improvement Program will produce designs for well-engineered fish passage projects which can then be used for subsequent permit applications and project construction, thus making the project a vital step for the restoration of steelhead trout in the Bay Area’s most important steelhead streams. Steelhead fisheries in the San Francisco Estuary are part of the Central California Coast Evolutionary Significant Unit, which is listed as “threatened” under the Endangered Species Act.

Since 2001, CEMAR has been gathering and analyzing the available scientific information regarding Bay Area steelhead in order to develop the technical foundation for restoration planning. In 2005, CEMAR completed a report, *Historical Distribution and Current Status of Steelhead/Rainbow Trout in Streams of the San Francisco Estuary (San Francisco Estuary Steelhead Status Report)*, which provides an accessible and credible account of the historical and current distributions of steelhead and rainbow trout in the Bay Area. The report has been very well received by key natural resource agencies and by citizen’s groups as the authoritative assessment of the status of this natural resource.

To build on the information in the *San Francisco Estuary Steelhead Status Report*, CEMAR is currently working to complete a San Francisco Estuary Watershed Fisheries Evaluation. This project, which received Conservancy funding, will provide an evaluation of the potential of San Francisco Estuary’s streams to provide habitat for restored steelhead runs and identify restoration projects in at least seven high priority watersheds. The Fisheries Evaluation project is nearing completion and, as the next step, CEMAR is now proposing to conduct engineering analyses, prepare conceptual designs, and develop detailed cost estimates to modify at least four of the fish migration barriers identified as key barriers in the Fisheries Evaluation report. The proposed San Francisco Estuary Fish Passage Improvement Program will conduct technical analyses to define the ecologically-preferred alternative for barrier modification, will verify the technical feasibility of the projects, and will help to solidify political support for these projects. The methods to be used in the project will result in well-engineered creek restoration projects, as a counter to many existing projects that were constructed without proper consideration of hydrologic and

engineering principles.

After CEMAR has completed the conceptual designs and cost estimates for the specific barrier sites, the local project proponents of each site will be provided with a fish barrier modification project ready to be submitted for permits and environmental review. With a well-designed project in hand, the local project proponents will be in a strong position to attract construction funding for the specific projects. Since many local proponents lack the capacity or financial resources to effectively design fish passage projects, the proposed grant to CEMAR will expedite the design and, subsequently, the completion of several high priority fish passage improvement projects. The end result is expediting the recovery of habitat for steelhead, as well as other anadromous fish and aquatic species, in the streams of the San Francisco Estuary.

CEMAR is a nonprofit organization whose primary purpose is the strategic restoration of aquatic and riparian habitat. CEMAR has acquired extensive knowledge of fisheries resources in the Bay Area in part from their staff's involvement with Robert A. Leidy of the US Environmental Protection Agency to complete the *San Francisco Estuary Steelhead Status Report*. CEMAR has also received Conservancy funding for the previously-mentioned San Francisco Estuary Watershed Fisheries Evaluation, an Alameda Creek Fish Passage Alternatives Study, and a Coastal Fishery Habitat Inventory.

Site Description: Project development will be limited to anadromous fish-bearing streams and rivers in the San Francisco Estuary, excluding the Sacramento-San Joaquin Delta (Exhibit 1).

After preliminary analysis completed for the San Francisco Estuary Watersheds Fisheries Evaluation, CEMAR has identified four key barriers which are likely candidates for this project. The four specific barriers are on: 1) Stuart Creek, a tributary to Calabazas Creek in the Sonoma Creek watershed in Sonoma County, 2) Ritchey Creek, a tributary to the Napa River in Napa County, 3) Upper Penitencia Creek, a tributary of Coyote Creek in Santa Clara County, and 4) San Anselmo Creek, a tributary of Corte Madera Creek in Marin County (See Exhibit 2 for location maps and Exhibit 3 for photographs). What makes these sites such promising restoration opportunities is that there is both scientific justification and stakeholder support for action. These creeks have excellent trout habitat, adequate water resources, and owners willing to provide access to their property and consider the necessary modifications. Each site is of interest to a local project sponsor, the State Department of Fish and Game (DFG), and NOAA's National Marine Fisheries Service. In addition, these four sites are identified as important barriers in the Conservancy's Passage Assessment Database.

While the above-mentioned sites may be included in the project, the specific sites are not made a condition of Board approval as there is the possibility that better candidate sites may be identified prior to development of the engineering and design studies. Specific watersheds and project sites will be identified in the work plan, subject to the approval of the Executive Officer.

Project History: In 2003, in response to an appropriation from the Salmon Habitat Restoration Program, sponsored by Senator Byron Sher (District 11), the Conservancy conducted an extensive and first-of-its-kind inventory of existing fish passage barrier data for coastal California streams. In addition to identifying more than 16,000 potential barriers to fish passage, the authors of the report learned that, despite local willingness to pursue fish passage improvement projects, project implementation was limited by the ability of local public entities to design and permit their proposed projects. Therefore, despite available grant sources for

implementation, local public entities lacked sufficient funds or staffing for project development. If approved, this authorization would facilitate project development and implementation.

Since 2001, CEMAR has been gathering and analyzing the available scientific information regarding San Francisco Bay Area steelhead in order to develop the technical foundation for restoration planning. In 2005, CEMAR completed the *San Francisco Estuary Steelhead Status Report*, in cooperation with Dr. Robert Leidy of the U.S. Environmental Protection Agency. Prepared from almost 1,000 references, including historical records and original field work, the report is the most authoritative account ever prepared of steelhead/rainbow trout distributions in watersheds tributary to the San Francisco Bay. The report is being used directly by management agencies, local officials from utilities, parks districts, and county and municipal agencies, the scientific community and grassroots environmental groups working toward increasing the numbers of steelhead and salmon using the San Francisco Bay and its watersheds.

In December 2004, the Conservancy granted CEMAR \$125,000 for a San Francisco Estuary Watersheds Fisheries Evaluation. The Fisheries Evaluation will evaluate the potential of the San Francisco Estuary's streams to provide habitat for restored steelhead runs and will identify restoration projects in at least seven high priority watersheds. The information CEMAR has obtained while working on the Fisheries Evaluation is being used to identify and select the specific, high-priority sites for the San Francisco Estuary Fish Passage Improvement Program.

PROJECT FINANCING:

Coastal Conservancy	\$200,000
Bella Vista Foundation	<u>35,000</u>
Total Project Cost	\$235,000

The expected source of the proposed grant is a FY 04/05 appropriation made to the Conservancy pursuant to the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Act of 2002 (Proposition 40), which allocates bond funds to the Conservancy to protect and restore land and water resources in accordance with the Conservancy's enabling legislation (Public Resources Code Section 5091.650(b)(8)). The proposed project will accomplish these purposes by designing fisheries restoration projects in key San Francisco Bay Area watersheds as discussed. The restoration projects will ultimately enhance the natural habitat of steelhead trout, a species of special concern.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The project is undertaken pursuant to Chapter 4.5 of the Conservancy's enabling legislation, Public Resources Code Sections 31160-31164, to address resource goals in the San Francisco Bay Area.

All of the project sites will be located within the nine San Francisco Bay Area counties in which the Conservancy is authorized, under Sections 31160 and 31162 of the Public Resources Code, to undertake projects and award grants to address resource and recreational goals for the region.

Under Section 31162(b), the Conservancy may act to protect, restore, and enhance natural habitats of regional significance. The proposed project would assist in the enhancement of the natural habitat of steelhead trout, a species of special concern.

The San Francisco Estuary Fish Passage Improvement Program satisfies all of the criteria for determining project priority under 31163(c), since the project: 1) is supported by adopted regional plans including the Regional Water Quality Control Plan for San Francisco Bay, the General Plans of Marin County, Sonoma County, Alameda County, San Mateo County, Napa County, and Santa Clara County, and the plans of several Special Districts including the East Bay Regional Park District, the Santa Clara Water Agency, and the San Francisco Public Utility Commission; 2) serves a regional constituency by creating habitat for steelhead trout, a species of statewide concern; 3) can be implemented in a timely manner; 4) provides benefits that would be lost if the project is not quickly implemented; and 5) includes matching funds.

In addition, Public Resources Code Section 31111 allows the Conservancy to undertake plans and feasibility studies to carry out the purposes of Division 21 of the Public Resources Code.

**CONSISTENCY WITH CONSERVANCY'S
STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):**

Consistent with **Goal 10, Objective B**, the project will develop plans for the restoration of riparian habitat through the removal of instream migration barriers for salmonids.

**CONSISTENCY WITH CONSERVANCY'S
PROJECT SELECTION CRITERIA & GUIDELINES:**

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines adopted January 24, 2001, in the following respects:

Required Criteria

1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
2. **Consistency with purposes of the funding source:** See the "Project Financing" section above.
3. **Support of the public:** Supporters of the project include the National Marine Fisheries Service, the State Department of Fish and Game, the State Department of Parks and Recreation, the Santa Clara Valley Water District, the City of San Jose, the Sonoma Ecology Center, and Friends of Corte Madera Creek. Letters of support are included as Exhibit 4.
4. **Location:** This project will identify fish passage improvement projects in the streams of the San Francisco Estuary, part of the nine county jurisdiction of the San Francisco Bay Program.
5. **Need:** Conservancy participation is needed because financial, staffing, and jurisdictional limitations have prevented other agencies and nonprofits from undertaking or funding fish

passage barrier modification projects. No other source of funding for this segment of the project is available.

6. **Greater-than-local interest:** The steelhead fisheries found in the San Francisco Estuary are part of the Central California Coast Evolutionary Significant Unit, which is listed as “threatened” under the Endangered Species Act. Steelhead trout are an important historical, natural, and economic resource for both the State’s fishing industry as well as Bay Area residents.

Additional Criteria

7. **Urgency:** Steelhead trout are a threatened species yet funding for restoration projects is finite. By identifying restoration projects with the most potential benefit to the Central California Coast Evolutionary Significant Unit and by preparing design documents ready for permitting and environmental review, implementation of high priority restoration projects will be more likely to occur.
8. **Leverage:** See the “Project Financing” section above.
9. **Innovation:** The project is innovative in its reliance on scientific analysis of the steelhead resource, its focus on projects that have both scientific and political support, and its objective to create products that empower local agencies to obtain construction funding. The methods to be used in the project will provide a valuable example of well-engineered creek restoration efforts, as a counter to many existing projects that were constructed without proper consideration of hydrologic and engineering principles.
10. **Readiness:** The project applicant has demonstrated that it has the experience, expertise, local public support, and administrative capability necessary to commence and complete the project in a timely manner. The project can begin as soon as Conservancy funding is approved and is expected to be completed within one year.
11. **Realization of prior Conservancy goals:** The Conservancy’s completion of the report “Assessment of Barriers to Fish Passage in California’s Coastal Watersheds” signals the agency’s focus on and commitment to the improvement of fish passage in coastal watersheds. Having identified numerous barriers to fish passage in the report, and having previously supported several fish passage improvement projects, this proposal will expand the Conservancy’s efforts in this area. The project will expedite the completion of a greater number of fish passage projects in the near future.
12. **Cooperation:** The project is supported by a wide cross-section of agencies and organizations with experience in creek and fish restoration including the National Marine Fisheries Service, the State Department of Fish and Game, the State Department of Parks and Recreation, the Santa Clara Valley Water District, the San Jose Watershed Protection Division, the Sonoma Ecology Center, and Friends of Corte Madera Creek.

COMPLIANCE WITH CEQA:

Preparation of the project involves only data gathering, planning, and feasibility analyses for possible future actions and is thus statutorily exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code of Regulations Section 15262. Staff will file a Notice of Exemption upon approval.